REGISTERED NUMBER: SC475021 (Scotland)

STRACHAN & KEMP COMMERCIAL SERVICES LTD

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2023

Milne Craig
Chartered Accountants
Abercorn House
79 Renfrew Road
Paisley
Renfrewshire
PA3 4DA

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FOR THE YEAR ENDED 30 APRIL 2023

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STRACHAN & KEMP COMMERCIAL SERVICES LTD

COMPANY INFORMATION
FOR THE YEAR ENDED 30 APRIL 2023

DIRECTORS:	Steven James Smernicki Megan Smernicki Elaine Smernicki
SECRETARY:	Jurek Smernicki
REGISTERED OFFICE:	Unit J1 Langlands Commercial Park Kelvin Park South East Kilbride G75 0RH
REGISTERED NUMBER:	SC475021 (Scotland)
ACCOUNTANTS:	Milne Craig Chartered Accountants Abercorn House 79 Renfrew Road Paisley Renfrewshire PA3 4DA

BALANCE SHEET
30 APRIL 2023

	Notes	30/4/23 £	£	30/4/22 £	£
FIXED ASSETS					
Tangible assets	4		227,799		166,400
CURRENT ASSETS					
Stocks	5	217,604		303,896	
Debtors	6	320,185		186,797	
Cash at bank		72,263		112,001	
		610,052		602,694	
CREDITORS					
Amounts falling due within one year	7	410,575		191,902	
NET CURRENT ASSETS			199,477		410,792
TOTAL ASSETS LESS CURRENT LIABILITIES			427,276		577,192
CREDITORS					
Amounts falling due after more than one year	8		(118,843)		(154,678)
PROVISIONS FOR LIABILITIES	9		(23,841)		(2,172)
NET ASSETS			284,592		420,342
CAPITAL AND RESERVES					
Called up share capital			100		100
Retained earnings			284,492		420,242
SHAREHOLDERS' FUNDS			284,592		420,342

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 April 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 April 2023 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

(a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and

(b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The notes form part of these financial statements

continued...

BALANCE SHEET - continued
30 APRIL 2023

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Statement of Income and Retained Earnings has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 19 December 2023 and were signed on its behalf by:

Steven James Smernicki - Director

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2023

1. STATUTORY INFORMATION

Strachan & Kemp Commercial Services Ltd is a private company, limited by shares, registered in Scotland. The Company's registered number is SC475021 and registered office address is Unit J1 Langlands, Commercial Park, Kelvin Park South, East Kilbride, G75 0RH.

The nature of the Company's operations and its principal activities are that of commercial cleaning services.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements
These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest £.

Going concern
At the time of approving the financial statements, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Critical accounting judgements and key sources of estimation uncertainty
In preparing these financial statements, the directors have made the following judgements:

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Assets are considered for indications of impairment. If required an impairment review will be carried out and a decision made on possible impairment. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Bad debts are provided for where objective evidence of the need for a provision exists.

Inventories are assessed for evidence of obsolescence and a provision is made against any inventory unlikely to be sold, or where stock is sold post year end at a loss.

Turnover
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Consideration is given to the point at which the Company is entitled to receive the income, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Revenue from the provision of services is recognised in the period in which the services are provided when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due;
- the costs incurred can be measured reliably.

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2. **ACCOUNTING POLICIES - continued**

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Improvements to property	- 10% on reducing balance
Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance and at variable rates on reducing balance
Computer equipment	- 25% on reducing balance

Financial instruments

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 ' Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the Company's balance sheet when the Company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transactions costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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2. **ACCOUNTING POLICIES - continued**

Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

If and when all conditions for retaining tax allowances for the cost of a fixed asset have been met, the deferred tax is reversed.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

With the exception of changes arising on the initial recognition of a business combination, the tax expense (income) is presented either in profit or loss, other comprehensive income or equity depending on the transaction that resulted in the tax expense (income).

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors.

Deferred tax assets and deferred tax liabilities are offset only if the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously.

Leases

Assets held under finance leases, hire purchase contracts and other similar arrangements, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease) and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

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2. **ACCOUNTING POLICIES - continued**

Impairment of assets
Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Non-financial assets
An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Financial assets
For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal.

An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 42 (2022 - 31) .

4. **TANGIBLE FIXED ASSETS**

	Improvements to property £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 May 2022	-	24,896	8,158
Additions	61,000	1,870	-
At 30 April 2023	61,000	26,766	8,158
DEPRECIATION			
At 1 May 2022	-	15,695	3,570
Charge for year	21	2,574	1,147
At 30 April 2023	21	18,269	4,717
NET BOOK VALUE			
At 30 April 2023	60,979	8,497	3,441
At 30 April 2022	-	9,201	4,588

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4. **TANGIBLE FIXED ASSETS - continued**

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 May 2022	197,815	1,485	232,354
Additions	43,500	4,992	111,362
At 30 April 2023	241,315	6,477	343,716
DEPRECIATION			
At 1 May 2022	45,689	1,000	65,954
Charge for year	45,994	227	49,963
At 30 April 2023	91,683	1,227	115,917
NET BOOK VALUE			
At 30 April 2023	149,632	5,250	227,799
At 30 April 2022	152,126	485	166,400

The net book value of tangible fixed assets includes £ 65,080 (2022 - £ 82,890) in respect of assets held under hire purchase contracts.

5. **STOCKS**

	30/4/23 £	30/4/22 £
Stocks	5,000	5,000
Work-in-progress	212,604	298,896
	217,604	303,896

6. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30/4/23 £	30/4/22 £
Trade debtors	301,522	186,797
Prepayments and accrued income	18,663	-
	320,185	186,797

7. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30/4/23 £	30/4/22 £
Bank loans and overdrafts	10,000	10,000
Hire purchase contracts	25,835	25,835
Trade creditors	157,844	6,533
Corporation tax	55,830	87,590
Social security and other taxes	42,870	-
VAT	61,475	58,764
Directors' current accounts	118	430
Accruals and deferred income	56,603	2,750
	410,575	191,902

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8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	30/4/23	30/4/22
	£	£
Bank loans - 1-2 years	20,833	30,833
Hire purchase contracts	98,010	123,845
	118,843	154,678

9. PROVISIONS FOR LIABILITIES

	30/4/23	30/4/22
	£	£
Deferred tax	23,841	2,172

	Deferred tax
	£
Balance at 1 May 2022	2,172
Originating and reversal of timing differences	27,328
Effect of changes in tax rates	(5,659)
Balance at 30 April 2023	23,841

10. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

Included within creditors is a balance due from the directors.The balance outstanding as at the 30th April 2023 amounted to £118 (2022 - £430).

11. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Steven James Smernicki by virtue of his majority shareholding in the company.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.